Sea Enterprise

Right *Force*
Right *Readiness*
Right *Cost*

Sea Power 21

Projecting decisive joint capabilities!

Resourcing tomorrow's fleet!

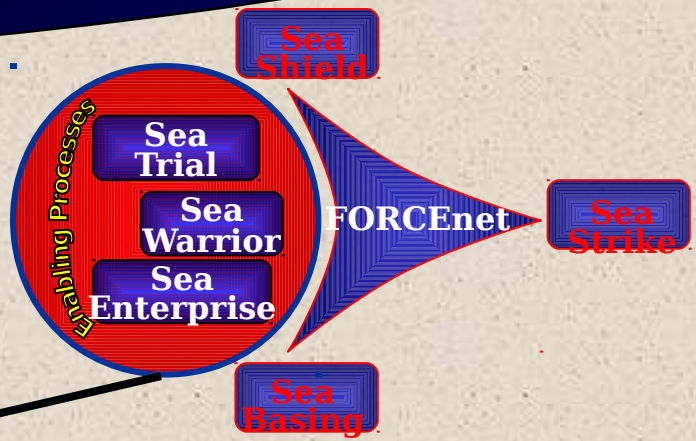
4 Mar 04

Mr. Mark Honecker
Director
Logistics Planning & Innovation

Sea Enterprise
Overview

- **What is *Sea Enterprise*?**
- **Why *Sea Enterprise*?**
- **How is the Navy approaching *Sea Enterprise*?**
- **What's changing with *Sea Enterprise*?**

What is Sea Enterprise?
Sea Power 21



SEA ENTERPRISE

Resourcing Tomorrow's Fleet…optimum resource allocation, increased productivity, enhanced procurement

- **Identify & harvest efficiencies**
  - **Divest non-core functions**
  - **Organizational streamlining**
  - **Manpower reduction through technology insertion and process alignment**
- **Fund future readiness**
  - **Enhanced investment in warfighting capabi**
  - **Accelerate transformation**
- **Inculcate culture of productivity**

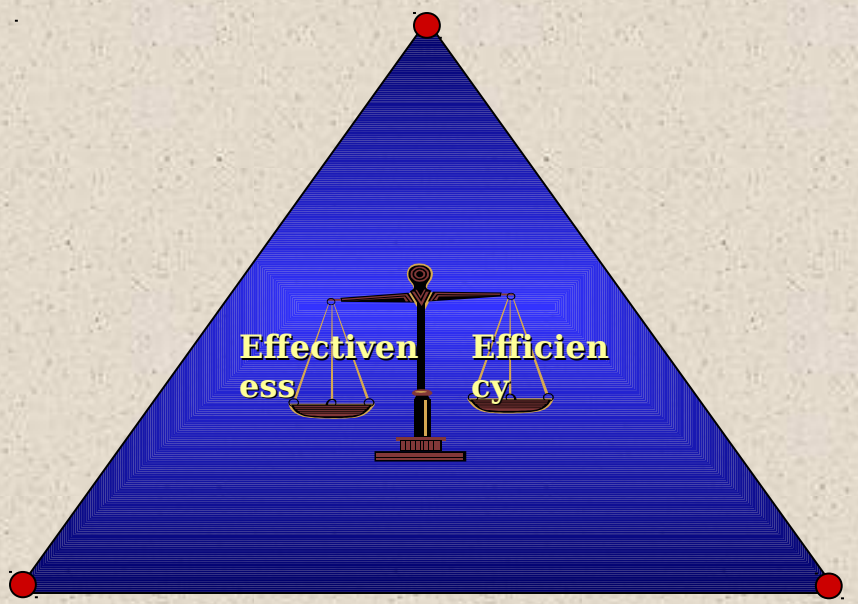
Sea Enterprise

Right Force… *Right Readiness…* *Right Cost…*

What is Sea Enterprise?
Balancing our Priorities

Right Force

"Transforming our force must occur within existing resources."



Right Readiness

***"Our focus must be on readiness and productivity…
readiness at any cost is not the answer."***

Right Cost

"Allowing costs growth at the rate of inflation is not an option."

Delivering maximum return on taxpayer investment!

Right Force… Right Readiness… Right Cost…

Why Sea Enterprise?
#1. Our Leadership is Demanding It!

What Are Our Leaders Saying?

"...transforming the military. What is different today is this sense of urgency: The need to build this future force while fighting this present war. It is like overhauling a car engine while you are going 80 miles an hour."

George W. Bush
President of the United States

"We simply have to transform this place. It is every bit as important to the success of the global war on terrorism as the other things we're doing."

Donald B. Rumsfeld
Secretary of Defense

"Now a few words about transforming business practices. First of all, efficiency equals effectiveness. They go together. We should be constantly searching for improved effectiveness through improved efficiency."

Gordon R. England
Secretary of the Navy

"...this is a time of transformation – one because the leadership in government has dictated it, and two I've already defined it, a great deal of change is going to take place whether anybody has mandated it or not."

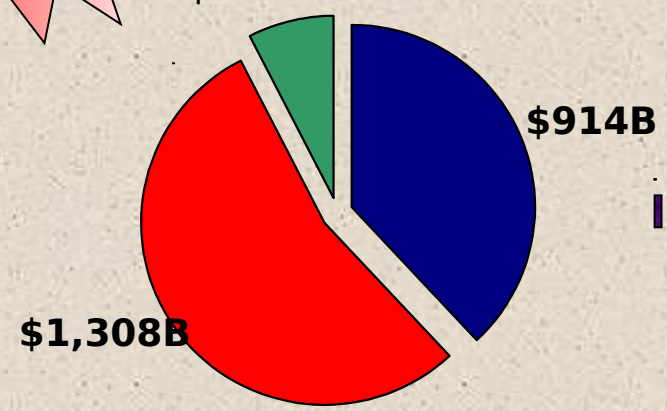
ADM Vern Clark
Chief of Naval Operations

Why Sea Enterprise?
#2. Right thing to do for the tax payer!

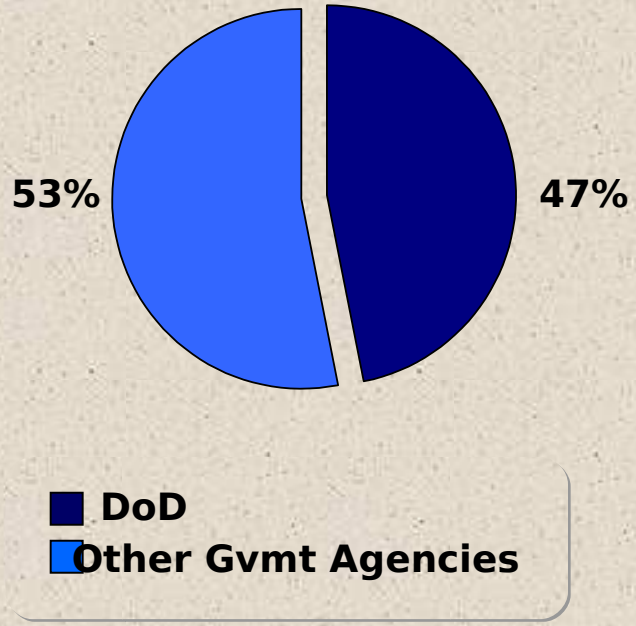
Competing Priorities:
- Rebuilding Iraq
- Homeland Security
- Infrastructure
- Prescription Drug Plan
- Social Security

FY 2005 Deficit ~$364B

FY 2005 Federal Budget $2,400B



FY 2005 Discretionary Funding $914B



Right Force... Right Readiness... Right Cost...

Why Sea Enterprise?
#3. Right for our Sailors!

Years of under investment in new acquisition/ modernization…

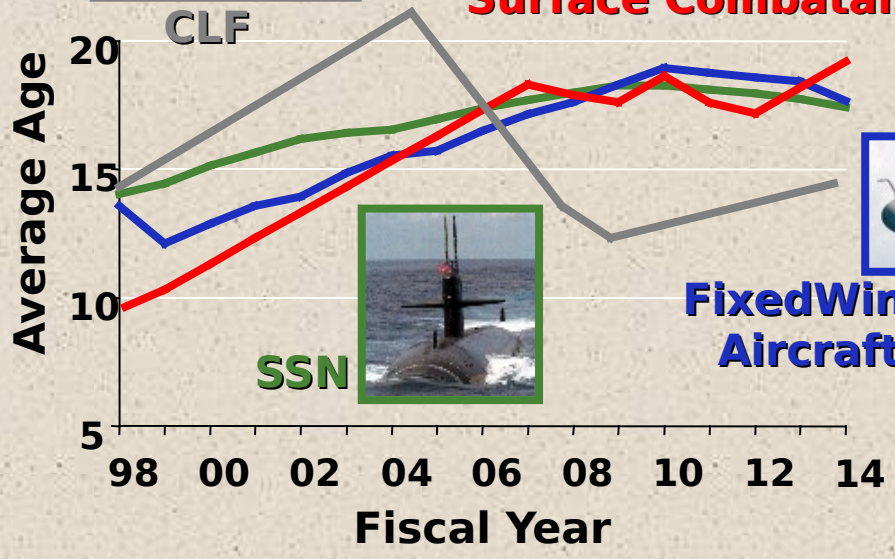
CLF

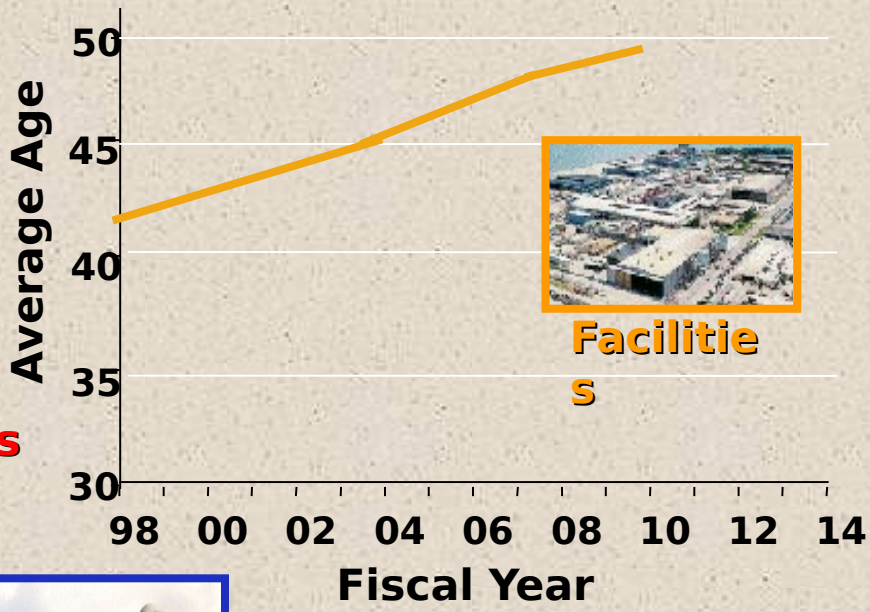
Surface Combatants

SSN

FixedWing Aircraft

Facilities



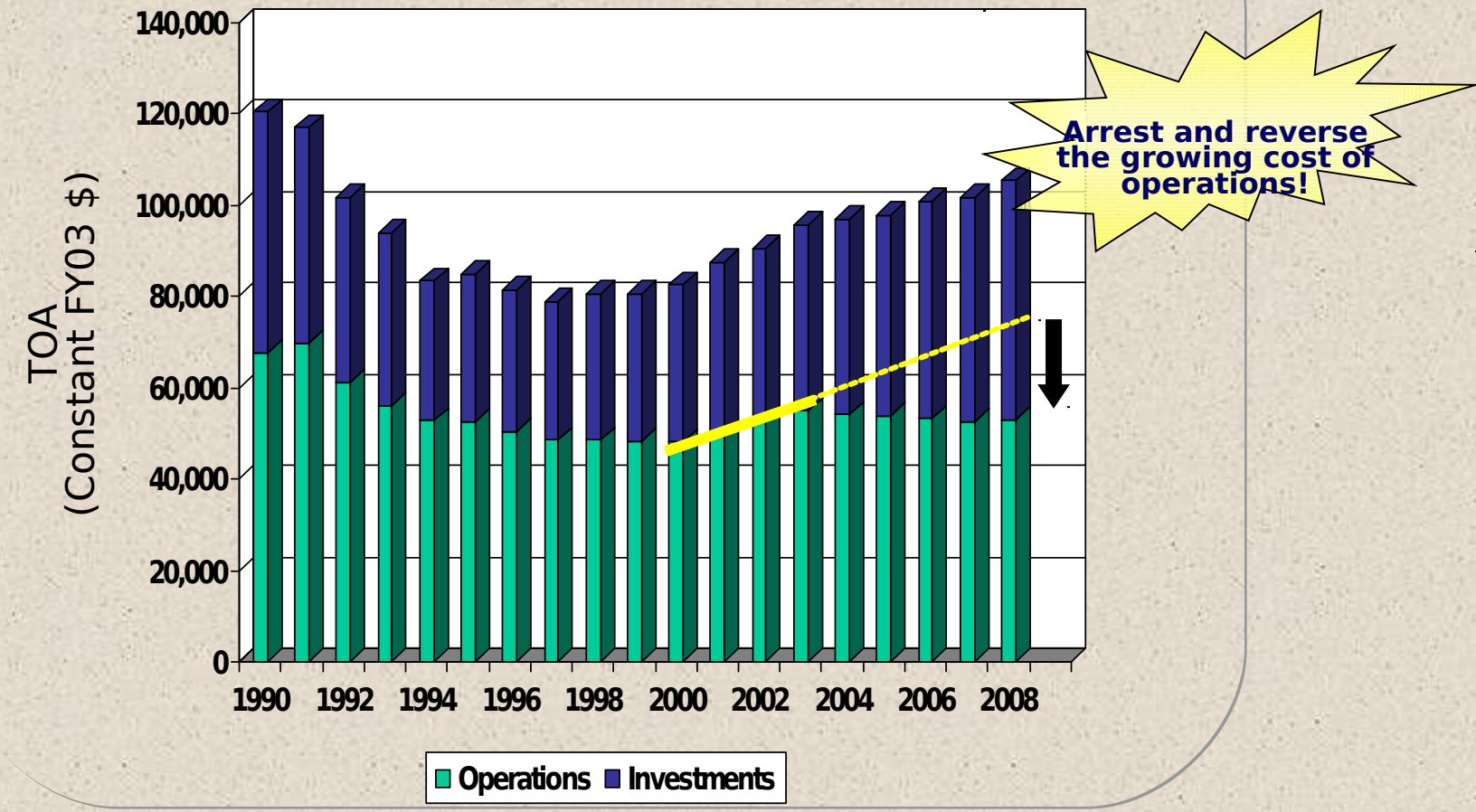


…Results in aging Force Structur

Right Force… *Right Readiness…* *Right Cost…*

Why Sea Enterprise?
#4. Right for our Navy!

Operations vs. Investments



How is the Navy Approaching Sea Enterprise?

Strategic Imperatives

#1: Change Culture/Behaviors

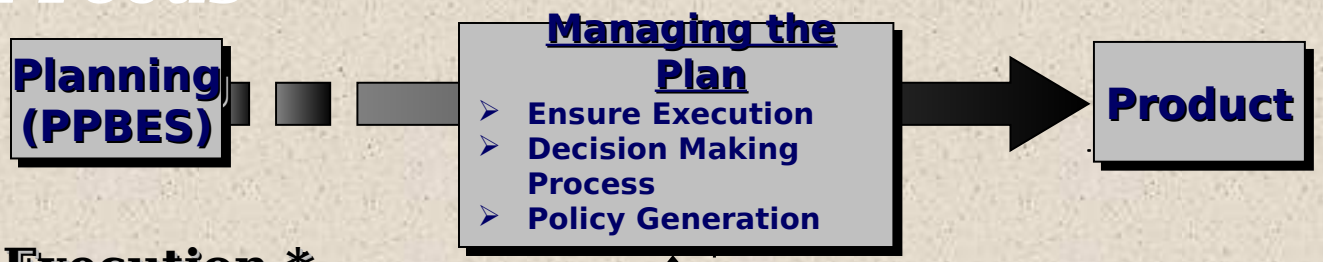
- Readiness & productivity
- Execution & accountability
- Enterprise focus
- Align incentives
- Communicate the vision

#2: Improve Structures and Processes

- Leverage existing initiatives
- Identify better ways of doing business
- Focus metrics…drive performance

#3: Harvest Savings

How is the Navy Approaching Sea Enterprise?
Execution Focus



Understanding Execution *

- Execution…
  - Is a discipline, and integral to strategy
  - Is a major job of a leader
  - A core element of an organization's culture
- Need to "operationalize" our culture
  - Don't think ourselves into a new way of acting…
    act ourselves into a new way of thinking!
- "Strategies most often fail because they aren't executed well."

"Follow-through is the cornerstone of execution…"

Excerpts from EXECUTION: The Discipline of Getting Things Done (Bossidy/Charan)

How is the Navy Approaching Sea Enterprise?
Governance/Process

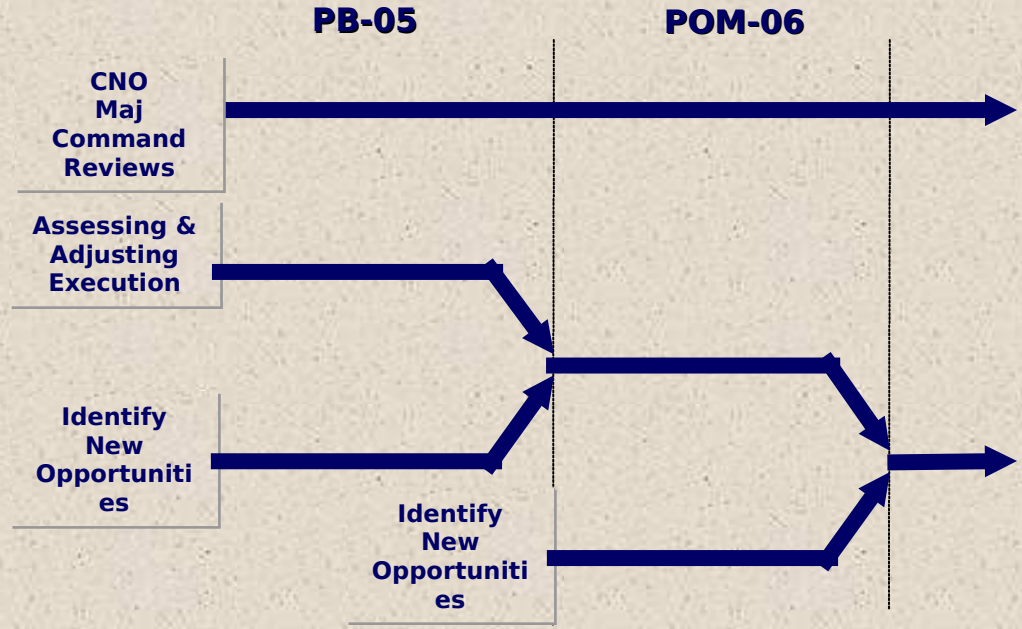
Governance

CNO

Sea Enterprise BOD
VCNO-ASN(RD&A) (Co-chairs)
DNS-N1-N4-N6/7-N8
NAVAIR-NAVSEA-CFFC-CNI
USMC - others as required

Sea Enterprise Initiatives

Process



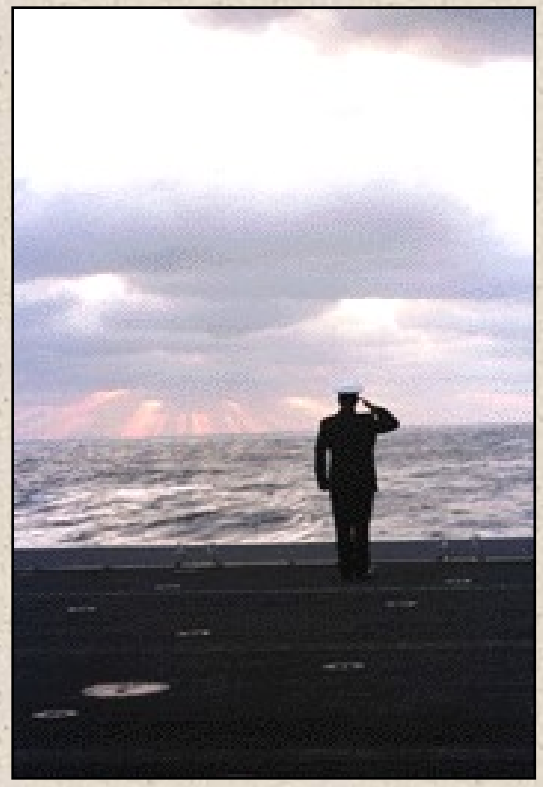
Senior Navy Leadership Driving Innovation and Execution!

What's Changing with Sea Enterprise?

- ✓ **Enterprise-wide:**
  - Approach to transformation
  - View of targeted efficiencies
  - Decision-making
- ✓ **Senior leaders focused on execution**
- ✓ **Savings directed to recapitalization**

Sea Enterprise is a journey…we are well on our way!

Questions?



http://SeaEnterprise.hq.navy.mil